

Requirements for selling 5% or more of a listed company's capital stock:

- 1) For transactions involving the sale of 5% or more of a KSE listed company's capital stock: Seller must submit an order to the KCC at least 2 days prior to the execution date and present stock title/certificate in cases where the KCC balance record does not indicate ownership of the relevant stocks.
- 2) The broker is required to deliver the relevant stock certificate(s) to the KCC upon its receipt from the selling party and to issue the same a statement of account from the KCC.
- 3) Upon receipt of order to sell, the broker is required to notify the KSE trading department of all pertinent details.
- 4) The KSE Trading Department will announce the upcoming deal along with all information relevant to the trade such as the stock quantity and initial bid within five days prior to the suggested date of execution. The trading dept reserves the right to determine the date and time which it considers suitable for the transaction.
- 5) The buyer must present a certified cheque constituting 10% of the trade value in the case where the buyer's KCC account balance is insufficient to cover that amount. The percentage calculation is based on either the closing price of the stock to be traded or its most recent ask price if available, the greater of which will be used.
- 6) The 5% transactions shall be executed on the fifth day from its announcement date.
- 7) The transaction shall be executed by the end of the trading period to the highest bidder.
- 8) The relevant broker is required to issue a trade contract upon execution of the transaction and to forward copies of which to the bidding broker, the KCC, and the KSE trading department.
- 9) The KCC shall deal with any settlement related obligations arising from the transaction and will collect any applicable commissions based on the price at which the trade was executed or the closing price of the relevant stock as of the contract date, the greater of which shall be used.
- 10) In the case of investment portfolios, the buyer may be more than one party.
- 11) The price floors and ceilings employed by the KSE do not apply to 5+% transactions.
- 12) Orders to sell from the Implementation Department in the Ministry of Justice are exempt from the above articles.